

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS OF THE BANANA BOARD
FOR THE YEAR ENDED DECEMBER 31, 2018

1. PURPOSE

The matter for tabling in the Houses of Parliament is the Annual Report and Audited Financial Statements of the Banana Board for the year ended December 31, 2018. The Report is being tabled in accordance with the provision of Section 27 (2) of the Banana Board Act.

2. FUNCTIONS OF THE BOARD

The Banana Board was established on October 1, 1953 under the Banana Board Act, and is aligned with the Banana Insurance Act of 1946. The statutory functions of the Board are primarily:

- To assist in the development of the banana industry;
- To control and eliminate any disease affecting bananas;
- To develop bananas wholly and partially immune to disease;
- To administer the Banana Insurance Fund and
- To manage the Banana Industry Catastrophe Fund;
- To implement the strategic plan for the Jamaica banana and plantain industry;
- To facilitate the GLOBAL G.A.P. (good agricultural practices) certification of the Quality Management System (QMS) of the Banana Board and farmers in the option 2 register;
- To facilitate the certification of banana and plantain related value-added businesses.

3. PERFORMANCE FOR THE 2018 CROP YEAR

i. Banana Board Grant for Technical Service 2 Project

In 2018, the Board delivered specific technical services to growers and other agribusinesses in the value chain, with the implementation of the Banana Board Grant for Technical Service 2, a project of the Jamaica Banana Accompanying Measures (JBAMs) programme, funded jointly by the Government of Jamaica (GoJ) and the European Union (EU) which began on November 1, 2013. The JBAM programme was geared towards combating poverty and improving revenues in banana dependent areas.

The major outcomes of the four-year project were:

- Increased distribution of new high yielding varieties from regional nurseries
- Increase export volumes and markets
- The execution of the Banana Export Expansion Programme (BEEP)

In addition, the following activities were carried out:

- Technical services to farmers and value-added entrepreneurs
- Surveillance of farms for Panama Disease Tropical Race 4 (PDTR4)

- Improved laboratory diagnostics for early detection Panama Disease Tropical Race 4 (PDTR4)
- Management of the gene bank for banana and plantain varieties at the Bodles Banana Research Station.
- Updating the spatial, production databases (domestic, export and bi-products), for banana and plantain farmers and agribusinesses.
- Granting of export licenses based on standards of best practices.

ii. **Banana and plantain production (Tonnes)**

Production	Year			Total
	2016	2017	2018	
Banana	58,701.8	64,814.7	66,381.3	189,897.8
Plantain	43,436.3	46,092.2	49,907.2	139,435.7

Banana and plantain production for 2018 increased by 2.4% and 8.3% respectively when compared to the production figures of 2017. This was achieved despite the adverse weather conditions experienced during the period.

The specific achievements of the Board were updated throughout the year in the Banana Board Quarterly Status Reports to the Ministry of Industry, Commerce, Agriculture and Fisheries (MICAFA), The Planning Institute of Jamaica (PIOJ), and the European Union (EU). However, it is important to note that while the productivity of banana increased by 41%, there was equally a 41% decline in productivity for plantains when compared to the 2011 baseline.

4. **BANANA INDUSTRY CATASTROHE FUND**

The Banana Board currently has the responsibility to facilitate growers in their disaster mitigation efforts on behalf of the Government of Jamaica (GoJ). The Board manages the Banana Industry Catastrophe Fund, established with a grant of €31M from the European Union Banana Support Programme (EUBSP) in 2007; along with contributions of farmers (which represented 12.5% of the total cost for materials, given for disaster relief). The fund is managed by the Banana Board, steered by the Catastrophe Funds Oversight Committee and guided by the Catastrophe Fund Operation Manual. The Fund has grown slowly over the years with contributions by registration fees from the banana and plantain farmers along with accumulation of interest gained on investments. In the years 2010 and 2016 the Fund paid out J\$16M to 1,600 contributors. The balance of the Fund at December 31, 2018 was \$84,226,000.

The annual outreach and registration activities for the Catastrophe Fund were carried out in 2018. These activities were aimed at motivating farmers to get registered with the Fund, despite this however; only 73 farmers were registered representing a 6.4% decline when compared to the previous year.

5. **FINANCIALS**

For the year 2018, the Banana Board received a subvention of \$99.5M from the Government of Jamaica Budget Support, while earning J\$12.7M from property rental and J\$11.3M from other sources as appropriates-in -aid (AIA). Over the 12-month period, the Board

also received a grant of J\$42.1M from the EU's JBAMs programme, in the Banana Board Grant Contract for Technical Service 2 Project. The total value of the grant contracted is 1.9M Euros over the four years. The Board utilized inflows to finance total expenditure of J\$162.4M to accomplish or surpass all specific pre-set targets for the year 2018. However, the Board recorded a deficit of JA\$608,000 for the year ended December 31, 2018 which occurred mainly due to a 13.9% increase in administrative expenses.

6. SALARY AND EMOLUMENTS

Cabinet is being asked to note the salaries and emoluments of the directors and senior executives set out at Appendices I and II respectively.

7. AUDITOR'S REPORT

The financial statements were audited by Calvert Gordon Associates, Chartered Accountants. They have stated that the financial statements gave a true and fair view of the Board as at December 31, 2018, its financial performance and cash flows for the year then ended were in accordance with the International Financial Reporting Standards and the requirement of the Jamaica Companies Act.

8. RECOMMENDATION

The 2018 Annual Report and Audited Financial Statements of the Banana Board are hereby submitted to be tabled in the Houses of Parliament in accordance with the provisions of Section 27 (2) of the Banana Board Act.



Audley Shaw, C.D., M.P.

Minister of Industry, Commerce, Agriculture and Fisheries

June 28, 2020

DIRECTORS COMPENSATION

Position of Senior Executive	Year	Salary (\$)
General Manager	2018	5,514,
Pathologist	2018	2,746,
Financial Officer	2018	3,249,
Chief Accountant	2018	1,387,
Total		12,897,

Notes

1. Where contractual obligations and provided and not the Jamaican equ
2. Other Allowances (including laundry
3. Where a non-cash benefit is receive appropriate column above.

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assigned Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Mr. Roger Turner	35,000.00	14,626.40			50,626.40
Dr. Wayne Myrie	14,000.00				14,000.00
Dr. Sophia Ramlal	14,000.00	2,820.00			16,820.00
Dr. Alexander Powell	28,000.00	10,152.00			38,152.00
Mr. Webster Pherson	14,000.00	5,640.00			19,640.00
Mr. Egbert Miller	38,000.00	53,064.00			91,064.00
Mr. Jason James	0.00	0.00			0.00
Total	144,000.00	86,302.40			230,302.40

Notes

1. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.

